

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



April 29, 1983

ALL-COUNTY INFORMATION NOTICE I-56-83

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: GALSTER v. WOODS, Disregard of Unavailable Property

REFERENCE:

On April 6, 1983, the California Supreme Court issued an order in the case of Galster v. Woods which prohibits the Department from denying AFDC benefits to any person on the grounds that such person owns a property right with a market value over \$1,000.00 if that property right is not, as a practical matter, available for use or expenditure to meet current needs.

The Galster case arose in Humboldt County when an applicant was denied aid due to excess property. She had been refused access to her home and other property by her estranged spouse and although the applicant was unable to reside in the home, the value of her community interest in that home rendered her ineligible for aid. The case was later expanded by inclusion of additional plaintiffs who owned allegedly nonexempt real property of questionable value and in each case it was argued that the property was unsaleable at any price and therefore not available to meet current needs.

The Department prevailed in Superior Court and the plaintiffs appealed. Concurrent with the appeal, plaintiffs requested a stay. This request was denied by the Court of Appeal. Thereafter, the stay was sought from the Supreme Court and on April 6, such order was issued.

The order applies to all applications received on or after April 6, where excess property was at issue and to continuing cases on an ongoing basis. The Department intends to implement the order by All County Letter as soon as possible. The Budget Act, however, requires that such letters that add to program costs be submitted

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to Department of Finance for approval prior to release. The All County Letter will be issued as soon as such approval is obtained.

If there are any questions, please contact your AFDC Management Consultant.

A handwritten signature in black ink, reading "Kyle S. McKinsey". The signature is written in a cursive, flowing style with a large initial "K".

KYLE S. MCKINSEY
Deputy Director
Welfare Program Operation

IN THE SUPREME COURT OF THE STATE OF CALIFORNIA
IN BANK

SUPREME COURT

FILED

GALSTER ET AL., Petitioners

APR 6 1983

LAURENCE P. GILL, Clerk

v.

THE SUPERIOR COURT OF HUMBOLDT COUNTY, Respondent;

WOODS, AS DIRECTOR, ETC., ET AL., Real Parties in Interest.

The petition for hearing is GRANTED and the matter transferred to this court. Pending final disposition of this proceeding, real parties in interest are stayed from denying benefits to any applicant for Aid to Families with Dependent Children on the ground that such applicant owns a property right of a market value in excess of \$1000 (See Welf. & Inst., Code, § 11155) if that property right is not, as a practical matter, "available for the use or expenditure by or in behalf of the applicant..... to meet a current or future need of the applicant....." (Id.) This proceeding is transferred to the Court of Appeal, First Appellate District, for further consideration in conjunction with the appeal in Humboldt County Superior Court case number 70838.

Bird

Chief Justice

Mosk

Justice

Keene

Justice

Richardson

Justice

Brown

Justice

Justice

Justice